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·1 2	BEFORE THE FEDERAL ELECTION COMMISSION COMMISSION SECRETARIAT					
3 -4 -5 -6 7	In the Matter of CASE CLOSURES UNDER 2003 JAN 27 A 10: 0 ENFORCEMENT PRIORITY SYSTEM)					
8	SENSITIVE					
9	GENERAL COUNSEL'S REPORT					
10						
11	I. <u>INTRODUCTION</u>					
12	The cases listed below have been evaluated under the Enforcement Priority System					
13	("EPS") and identified as either low priority or potential ADR transfers. This report					
14	recommends that the Commission no longer pursue the cases cited in section II					
15						
16	II. CASES RECOMMENDED FOR CLOSURE					
17 18 19	Cases Not Warranting Further Action Relative to Other Cases Pending Before the Commission					
20	EPS was created to identify pending cases that, due to the length of their pendency in					
21	inactive status or the lower priority of the issues raised in the matters relative to others					
22	presently pending before the Commission, do not warrant further expenditures of resources.					

Central Enforcement Docket ("CED") evaluates each incoming matter using Commission-

approved criteria that result in a numerical rating for each case.

Case Closures Under EPS General Counsel's Report Page 2 of 3

1		We have identified	cases	cases which this Office recommends be			
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13	IV.	RECOMMENDATION	<u>is</u>	•			
14		OGC recommends that the Commission exercise its prosecutorial discretion and close					
15	the cases listed below effective two weeks from the date the Commission votes on the						

² The cases recommended for closure are: MUR 5255 (Rov Brown for Congress); MUR 5256R (Allied Pilots Association PAC); MUR 5271 (A Whole Lot of People for Grijalva Congressional Committee); MUR 5280 (Bundgaard for Congress); MUR 5284 (Moran for Congress); MUR 5289 (Friends of the Rouge & Friends of the Detroit River); and MUR 5301 (Charlotte Reeves for US Congress).

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Case Closures Under EPS General Counsel's Report Page 3 of 3

- 1 recommendations. Closing these cases as of this date will allow CED and the Legal Review
- 2 Team the necessary time to prepare closing letters and case files for the public record.
- Take no action, close the file effective two weeks from the date of the Commission
- 4 vote, and approve the appropriate letters in:
 - 1. MUR 5255
- 2. MUR 5256R
- 3. MUR 5271

- 4. MUR 5280
- 5. MUR 5284
- 6. MUR 5289

7. MUR 5301

<u>i/24/03</u> Date

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BY:

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Supervisory Attorney, CED

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MUR

MUR 5280

Complainant: John Hughes

Respondents: Bundgaard for Congress

Jennifer Lynn Seivert, Treasurer

www.bundgaard.com State of Arizona

Scott Bundgaard for State Senate

Treasurer of Scott Bundgaard for State Senate

Allegations: Complainant, John Hughes, alleged that State Senator Scott Bundgaard illegally used state funds to promote his federal campaign. Specifically, Mr. Bungaard used state funds to pay for a mailer advocating his congressional campaign and a hyperlink connecting his official Arizona state legislative website to his congressional website.

 Responses: Bundgaard for Congress, Ms. Seivert, as treasurer, Scott Bundgaard for State Senate, and www.bundgaard.com responded that the mailer referred to by the complainant was a "thank you" mailer and all costs associated with its creation and distribution were paid for by the state senate committee. Further, the state senate committee did not transfer funds or assets to the federal committee. In discussing the hyperlink allegation, the respondents noted that the link to the website did not cause a prohibited transfer. Specifically, the respondents quoted from AO 1999-17 where the Commission advised that "simple hyperlinks to candidate campaign web sites provided on a nonpartisan, no charge basis are not reportable as expenditures by the committee or contributions from the providers." Thus, the respondents concluded that "[b]ecause the hyperlink has no monetary value and is provided to member [state] legislators without charge on an equal and nonpartisan basis as an untargeted public service," there was no undisclosed contribution to the federal campaign. Finally, the respondents noted that the website was maintained by Senator Bundgaard's federal committee, and the hyperlink was voluntarily removed pending the disposition of this MUR.

According to the Assistant Attorney General of Arizona, every Arizona State Legislator is provided a page on the Arizona Legislature's website. Initially, Senator Bundgaard had a link to his personal homepage, but changed it to his congressional campaign page without the knowledge of the state administrators. Arizona policy prohibits any use of state resources for campaign purposes. The Assistant Attorney General noted that the Arizona State Senate did not intend to contribute anything of value to Bundgaard's federal campaign. In fact, the link was deactivated and removed as soon as it was discovered. The Assistant Attorney General also cited to AO 1999-17 and stated that the temporary

40 link was not a contribution.

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5 This matter is less significant relative to other matters pending before the Commission.